



LEGISLATIVE FISCAL OFFICE

Fiscal Note

Fiscal Note On: **HB 569** HLS 09RS 1202
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: May 14, 2009	10:36 AM	Author: WHITE
Dept./Agy.: Treasury		
Subject: Imposes a fee on internet providers		Analyst: Deborah Vivien

ATTORNEY GENERAL

OR +\$8,000,000 SD RV See Note

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Creates the Internet Crimes Investigation Fund

Proposed law implements a fee of 50 cents for each bill for internet access issued by all internet providers doing business in Louisiana and subject to the control and jurisdiction of the Public Service Commission. The proceeds will be deposited into the Internet Crimes Investigation Fund. Interest and any fund balances will remain in the fund and use of the funds will be subject to appropriation by the legislature. The funds are to be used exclusively by the Department of Justice for funding projects to investigate and prosecute crimes involving the use of the internet.

EXPENDITURES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000	\$40,000,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000	\$8,000,000	\$40,000,000

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure, although the bill provides funds for investigating and prosecuting crimes by the Department of Justice involving the use of the internet.

REVENUE EXPLANATION

If the proposed fee is 50 cents on each monthly bill sent to a consumer for internet access mailed by internet providers doing business in Louisiana. The Federal Communications Commission (FCC) does not regulate internet providers, but they do keep statistics indicating that as of December, 2007 (the latest available data), there were 50 internet providers in Louisiana. According to Nielsen/NetRatings, 75% of the U.S. population has internet access in the home. Louisiana has over 1.8 million households (U.S. Census estimate) and thousands more commercial locations that may have internet access. If 1.4 million monthly bills (75% of households) are sent in Louisiana, this fee would generate some \$675,000 per month or over \$8,000,000 per year.

These receipts would be deposited into the newly created Internet Crimes Investigation Fund.

Senate

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☒ 13.5.2 >= \$500,000 Annual Tax or Fee Change

Dual Referral Rules

House

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

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